

United States Senate

WASHINGTON, DC 20510

December 6, 2010

The Honorable Max Baucus
United States Senate
511 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Charles Grassley
United States Senate
135 Hart Senate Office Building
Washington, D.C. 20510

Dear Chairman Baucus and Senator Grassley,

As the Senate finalizes tax legislation at the end of the 111th Congress, we urge you to include appropriate tax relief for Gulf Coast victims of the tragic BP oil spill. This unprecedented disaster has had a dramatic, negative impact on fishermen, shrimpers, oystermen, hotels, restaurants, and other tourism-related businesses on the Gulf Coast. It is essential that we provide relief to the companies and individuals that were devastated through no fault of their own.

In particular, we ask that you include provisions that would:

1. Allow qualified fishermen and related businesses on a limited and temporary basis to defer certain taxes on the proceeds of oil spill-related insurance and claims payments that are reinvested within five years;
2. Allow qualified businesses to claim a five year net operating loss carryback for certain oil spill-related losses.

The Joint Committee on Taxation recently estimated these provisions will cost \$279 million over ten years.

We urge you to include this critical tax relief for citizens of the Gulf Coast as part of any tax package that moves through the Senate during the lame duck session. Thank you for your attention to this issue of such importance to our region of the country.

Sincerely,



Senator Roger F. Wicker



Senator Bill Nelson



Senator Thad Cochran



Senator Mary L. Landrieu



Senator Richard Shelby



Senator Jeff Sessions



Senator David Vitter



Senator George S. LeMieux